

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

Auction of 700 MHz Band Licenses Scheduled
for July 19, 2011

Comments Sought on Competitive Bidding
Procedures for Auction No. 92

To: Wireless Telecommunications Bureau
AU Docket No. 10-248

REPLY COMMENTS OF McBRIDE SPECTRUM PARTNERS, LLC

McBride Spectrum Partners, respectfully submit our Reply Comments in the above captioned proceeding.

FCC Chairman Reed E. Hundt,

"In the long and tragic history of inequality between races and gender in America, today we are creating the greatest single opportunity ever made fairly available to small businesses, women and minorities. For the first time in our nation's history, the federal government is creating opportunities in a new industry in which all Americans will have a fair chance to compete from day one". "Entrepreneurs' C Block" is established, which is designed to fulfill the statutory mandate to ensure that small businesses, rural telephone companies and businesses owned by minorities and /or women ("referred to as "designated entities") have the opportunity to participate in providing broadband PCS".

McBride Spectrum Partners, LLC is on the same airwaves and is broadcasting on the same frequencies as the RURAL CELLULAR ASSOCIATION.

The FCC must mandate interoperability throughout the 700 MHz band, Requiring interoperability, will encourage competition. Lack of interoperability creates uncertainty for current and future 700 MHz spectrum holders. Without mandated interoperability rules throughout the 700 MHz band, the dominant incumbents will take and have taken anti-competitive steps to block participation and competition in the market. Small business will not take the risk of substantial capital needed to participate in the spectrum auctions without the certainty that interoperability can provide. **To ensure the success of small business we ask the FCC to immediately resolve interoperability concerns in the 700 MHz band. The FCC** Congress also requires the Commission to "promot [e] economic opportunity and competition and ensur[e] that new and innovative technologies are readily accessible to the American people by avoiding excessive concentration of licenses and by disseminating licenses among a wide variety of applicants, including small business, rural telephone companies, and businesses owned by members of minority groups and women."Implementation of Section 309(J) of the Communications Act – Competitive Bidding, Fifth Report and Order, PPDocket No. 93-253 (1994), paragraph 11.

must act quickly to resolve interoperability concerns in the 700 MHz band and, in the interest of ensuring competition in the mobile market place.

Entrepreneurial spirit is alive in this country, and small businesses are prepared to compete with the telecommunications giants. Permitting large players to expand their spectrum, or expand their service offerings, at the expense of small business participation, will effectively reduce the opportunity to promote diversity in the marketplace. This is a realistic danger as large companies continue to merge with other communications service providers. Increasing the variety of market participants, by including small business, will increase competition. **To ensure the success of small business we ask the FCC to immediately resolve interoperability concerns in the 700 MHz band . The FCC must act quickly to resolve interoperability concerns in the 700 MHz band and, in the interest of ensuring competition in the mobile market place.**

This is not the time for the Commission to throw up its hands and permit the huge wireless companies to push small business from the wireless market. The Commission should not let its desire to achieve full value for its spectrum licenses blind it to the fact that small business is the lifeblood of America and that we bring many benefits to the wireless landscape which helps it stay alive, and well. With out the small fish that live in the wetlands you would have no big fish to eat. **To ensure the success of small business we ask the FCC to immediately resolve interoperability concerns in the 700 MHz band today and now. The FCC must act quickly to resolve interoperability concerns in the 700 MHz band and, in the interest of ensuring competition in the mobile market.**

Indeed, one benefit of the Commission's auction program is that it tends to put licenses in the hands of those who value them most highly. But as the Commission realizes, increasing federal revenue is not Congress's goal. Rather, the Telecommunications Act seeks to bring competition, innovation, and diversity to the nation's communications marketplace. Issues of auction revenue generation are irrelevant to this objective. Maximizing short-term revenue for the federal treasury should not be the prime goal of the Commission's. Providing licenses to "deep pocket" bidders who can pay the most should not be elevated above the public policy goal of assuring opportunity for small business to compete and laying the groundwork for competition in a developing service. Congress never intended that revenue be the prime goal of spectrum auctions. Congress directed the Commission to provide Competitive opportunities for small business. Providing a level playing field for small businesses is in the public interest, pursuant to

the Commission's statutory mandate under the Communications Act of 1934, as amended by the Telecommunications Act of 1996, and the Small Business Regulatory Enforcement Fairness Act of 1996. **To ensure the success of small business we ask the FCC to** Congress also requires the Commission to "promot [e] economic opportunity and competition and ensur[e] that new and innovative technologies are readily accessible to the American people by avoiding excessive concentration of licenses and by disseminating licenses among a wide variety of applicants, including small business, rural telephone companies, and businesses owned by members of minority groups and women."Implementation of Section 309(J) of the Communications Act – Competitive Bidding, Fifth Report and Order, PPDocket No. 93-253 (1994), paragraph 11.

immediately resolve interoperability concerns in the 700 MHz band. The FCC must act quickly to resolve interoperability concerns in the 700 MHz band and, in the interest of ensuring competition in the mobile market.

The Commission has a difficult task in resolving many complex issues and balancing the widely divergent interests of many parties. We ask that the Commission to please consider the following principles. We agree that it is important to preserve continued small business participation in the wireless market place. However, we are concerned about the ability of small businesses not only to compete against larger entities and incumbents in the auction process on an equal playing field, but also compete in the telecommunications wireless marketplace as a viable service provider. Small businesses need equitable 700 MHz. interoperability rules and decisions from federal regulatory bodies; rules that eliminate market entry barriers in this still monopolistic industry. Providing a level playing field for small businesses is in the public interest, pursuant to the Commission's statutory mandate under the Communications Act of 1934, as amended by the Telecommunications Act of 1996 and the Small Business Regulatory Enforcement Fairness Act of 1996. **To ensure the success of small business we ask the FCC to immediately resolve interoperability concerns in the 700 MHz band today and now. The FCC must act quickly to resolve interoperability concerns in the 700 MHz band and, in the interest of ensuring competition in the mobile market.**

Maximizing short-term revenue for the federal treasury should not be the prime goal of the Commission's spectrum auctions. Providing licenses to "deep pocket" bidders who can pay the most should not be elevated above the public policy goal of assuring opportunity for small business to compete and laying the groundwork for competition in a developing service. Congress never intended that revenue be the prime goal of spectrum auctions. Let the Commission maximize small business participation. **To ensure the success of small business we ask the FCC to immediately resolve interoperability concerns in the 700 MHz band today and now. The FCC must act quickly to resolve interoperability concerns in the 700 MHz band and, in the interest of ensuring competition in the mobile market.**

Small businesses play a crucial role in experimentation and innovation, which lead to the development of new technologies and the growth of economic productivity. Small businesses create virtually all new jobs and serve as an essential mechanism for entry by millions of people, including minorities, women, and immigrants, into the American economy. Given the tremendous rate of mergers and alliances between large companies, small businesses are the best hope to provide competition and choice of under-served areas. Congress has recognized this. Congress saw that disseminating spectrum licenses among a variety of applicants, notably small businesses, would increase competition and bring innovative technologies to the American consumer. **To ensure the success of small business we ask the FCC to immediately resolve interoperability concerns in the 700 MHz band today and now. The** Congress also requires the Commission to "promot [e] economic opportunity and competition and ensur[e] that new and innovative technologies are readily accessible to the American people by avoiding excessive concentration of licenses and by disseminating licenses among a wide variety of applicants, including small business, rural telephone companies, and businesses owned by members of minority groups and women."Implementation of Section 309(J) of the Communications Act – Competitive Bidding, Fifth Report and Order, PPDocket No. 93-253 (1994), paragraph 11.

FCC must act quickly to resolve interoperability concerns in the 700 MHz band and, in the interest of ensuring competition in the mobile market.

With the passage of the Telecommunications Act of 1996, Congress began to unlock doors to telecommunications markets that had long been dominated by one or two large firms. The Commission should continue to promote Congress's mandate that small business be ensured a realistic opportunity to compete for wireless broadband customers. The Commission's public policy goal of promoting a competitive marketplace, is a must. **To ensure the success of small business we ask the FCC to immediately resolve interoperability concerns in the 700 MHz band today and now. The FCC must act quickly to resolve interoperability concerns in the 700 MHz band and, in the interest of ensuring competition in the mobile market.**

The Commission should not be swayed by argument that small business entrepreneurs will not yield the billions that big telecom would pay for wireless licenses, small business is the lifeblood of the American economy. Small business telecommunications providers are the ones, which can bring innovation to the marketplace, and small business customers are the ones who benefit from competition. Thus, it is vital to the development of an innovative marketplace that the Commission fosters the participation of a variety of service providers, not just a handful of national operators. It has been an important public policy objective of the Commission and of Congress to promote diversity of product and service offerings and to create an atmosphere where many players, including small businesses, women-owned businesses, and minority-owned businesses, can participate in the competitive marketplace. Congress has recognized that "small business concerns. **To ensure the success of small business we ask the FCC to immediately resolve interoperability concerns in the 700 MHz band today and now. The FCC must act quickly to resolve interoperability concerns in the 700 MHz band and, in the interest of ensuring competition in the mobile market.**

The Commission can ultimately exercise its authority, and set the rules to meet the underlying goals of small business participation in mobile market. For all the reasons set forth above in our comments, we respectfully urge the Commission to give our comments genuine consideration.

Respectfully submitted,
VINCENT D. McBRIDE
McBride Spectrum Partners, LLC
January 19, 2011

Congress also requires the Commission to "promot [e] economic opportunity and competition and ensur[e] that new and innovative technologies are readily accessible to the American people by avoiding excessive concentration of licenses and by disseminating licenses among a wide variety of applicants, including small business, rural telephone companies, and businesses owned by members of minority groups and women."Implementation of Section 309(J) of the Communications Act – Competitive Bidding, Fifth Report and Order, PPDocket No. 93-253 (1994), paragraph 11.